**UNITED STATES PATENT AND TRADEMARK OFFICE**
**Trademark Trial and Appeal Board**
**2900 Crystal Drive**
**Arlington, Virginia 22202-3514**

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Mailed: April 1, 2004

Opposition No. 91150749

Electronics Trademark Holding Company, LLC, joined as party defendant by assignment from Recoton Corporation[1]

v.

Advent Networks, Inc.

Before Quinn, Chapman and Drost, Administrative Trademark Judges.

By the Board:

On May 1, 2003, the Board issued an order: denying opposer's motion for summary judgment; noting that opposer's notice of opposition is legally insufficient inasmuch as opposer failed therein to properly allege likelihood of confusion and priority; and allowing opposer thirty days in which to submit an amended notice of opposition, failing which, the opposition would be dismissed with prejudice. No response having been received to the May 1, 2003 order, the Board issued an order on October 6, 2003, dismissing the

[1] Evidence thereof is recorded with the Assignment Branch of this Office at Reel 2703/Frame 0589. The issue of joinder is determined later in this order.

instant opposition with prejudice.

This case now comes before the Board for consideration of opposer's combined motion (filed on November 6, 2003) for reconsideration of the Board's October 6, 2003 order, and to substitute Electronics Trademark Holding Company, LLC as party opposer. The motion is fully briefed.

In support of its motion, opposer asserts that on December 31, 2002, the attorney handling this matter left her job as Vice President and General Counsel of Recoton Corporation; that in February 2003, the trademark paralegal and manager of trademarks for Recoton Corporation also left her job; and that thereafter, on April 8, 2003, opposer filed for bankruptcy. Opposer further asserts that in the ensuing bankruptcy proceedings, a special purpose limited liability company, Electronics Trademark Holding Company, LLC (hereinafter "ETHC"), was formed to prosecute, maintain and protect the trademark assets of the bankrupt opposer, and to transfer the trademarks to the special purpose entity; that among those trademark assets were the ADVENT marks relied upon by opposer as well as the registrations and application for the ADVENT marks which form the basis of the present opposition proceeding; that ETHC acquired the ADVENT marks on June 2, 2003; and that an assignment of the ADVENT marks from opposer to ETHC was recorded in the United

States Patent and Trademark Office, Assignment Branch on August 25, 2003.

Opposer asserts in addition that ETHC never received a copy of the May 1, 2003 Board order requiring opposer to file an amended notice of opposition; that ETHC ordered the file history from the Office upon receiving the October 6, 2003 order dismissing the opposition, which had been forwarded to ETHC from Recoton Corp.; that, as a result, ETHC had no notice of the deadline set in the Board's May 1, 2003 order; that as soon as it received notice of the order dismissing the opposition, ETHC immediately took action to seek reconsideration of the dismissal of this case; that the length of the delay is only a few months; that there is little, if any, prejudice to the applicant; that applicant should not be allowed to rely on opposer's bankruptcy to extricate itself from this proceeding; that the delay was clearly inadvertent and not within the reasonable control of opposer or ETHC; that the failure of bankrupt opposer to respond is clearly inadvertent and excusable; and that both Recoton Corporation and ETHC have always acted in good faith.

In support of its motion, opposer submits evidence of the above-referenced assignments; and the declaration of Patrick M. Lavelle, attorney for ETHC, in support thereof. In addition, opposer submits the affidavits of Loan B.

Kennedy and Pam B. Bloom, averring that the last action taken by Recoton Corp. in this proceeding was the filing of its October 2002 motion for summary judgment.

In opposition to opposer's motion, applicant asserts that opposer fails to explain its delay in responding to the Board's May 1, 2003 order, which is available to the public on the TTAB online database; and that neither opposer nor ETHC attempts to explain: their failure to notify applicant or the Board of a new contact for the opposition after Mr. Kennedy left Recoton in December 2002; why Mr. Kennedy remained counsel of record in this proceeding for nearly a year after his departure; why ETHC did not enter an appearance in the proceeding in July or August 2003; why ETHC appears not to have made any efforts to notify the Board of the assignment of the ADVENT marks; and why ETHC apparently took no steps to check the TTAB electronic database regarding this opposition proceeding before October 2003. Applicant further argues that neither Recoton nor ETHC changed its counsel of record or exercised sufficient care to monitor the proceeding, including the disposition of opposer's summary judgment motion; that neither Recoton nor ETHC took any action in this proceeding from December 2002 until November 2003; that applicant should not be prejudiced by the failure of Recoton and its successor ETHC to monitor and properly maintain the opposition; that ETHC by its own

admission acquired the ADVENT marks in July 2003, but did not inform the Board as to that acquisition until November 2003, after the Board entered judgment in this matter; and that, as a result of the foregoing, opposer has not shown due diligence in this case, let alone the required excusable neglect under Fed. R. Civ. P. 60(b). In addition, applicant advances arguments directed toward the merits of this proceeding.

Motion for Relief from Judgment

We turn first to opposer's motion for reconsideration. In its motion, opposer essentially seeks relief from the Board's October 6, 2003 order dismissing the opposition with prejudice. As such, opposer's motion is governed by Fed. R. Civ. P. 60(b)(1), which provides, in part, that a party may be relieved from judgment upon a showing of "mistake, inadvertence, surprise, or excusable neglect."

With regard to the timing of opposer's motion, Fed. R. Civ. P. 60(b) requires that any motion for relief available there under be made within a "reasonable time," with a one year maximum limitation on motions made pursuant to the first three grounds for relief (mistake, inadvertence, surprise, excusable neglect; newly discovered evidence; or fraud). In this case, the motion under Fed. R. Civ. P. 60(b)(1) was filed on November 6, 2003, that is, one month

after the Board's order dismissing the instant opposition. Opposer's motion thus is timely.

Turning to the merits of opposer's motion for relief from judgment, the issue presented therein is whether opposer's failure to submit an amended notice of opposition within the time allotted therefor resulted from "excusable neglect" as defined in the Supreme Court's 1993 decision in *Pioneer Investment Services Company v. Brunswick Associates Limited Partnership*, 507 U.S. 380 (1993), and followed by the Board in *Pumpkin, Ltd. v. The Seed Corps*, 43 USPQ2d 1582 (TTAB 1997). Determination of a Rule 60(b) motion and excusable neglect are matters committed to the discretion of the Board. *See* TBMP §544 (2d ed. June 2003), citing *General Motors Corp. v. Cadillac Club Fashions Inc.*, 22 USPQ2d 1933 (TTAB 1992); and *Djeredjian v. Kashi Co.*, 21 USPQ2d 1613 (TTAB 1991).

In *Pioneer, supra*, the Supreme Court clarified the meaning and scope of "excusable neglect," as used in the Federal Rules of Civil Procedure and elsewhere. The Court held that the determination of whether a party's neglect is excusable is:

> at bottom an equitable one, taking account of all relevant circumstances surrounding the party's omission. These include. . . [1] the danger of prejudice to the [nonmovant], [2] the length of the delay and its potential impact on judicial proceedings, [3] the reason for the delay, including whether it was within the reasonable

> control of the movant, and [4] whether the movant acted in good faith.

*Pioneer*, 507 U.S. at 395. We turn then to the factors enumerated in *Pioneer* to determine whether the circumstances surrounding opposer's failure to file its amended notice of opposition give rise to a showing of excusable neglect.

With respect to the first *Pioneer* factor, there does not appear to be any measurable prejudice to applicant should the Board reopen the proceeding. Applicant has made no showing of lost evidence or unavailable witnesses. *See Pratt v. Philbrook*, 109 F.3d 18, 22 (1st Cir. 1997); and *Paolo Associates Ltd. Partnership v. Bodo*, 21 USPQ2d 1899, 1904 (Comm. 1990). Further, we do not find that applicant is prejudiced as a result of mere delay and the normal expense associated with defending this proceeding. Accordingly, we find that the first *Pioneer* factor favors opposer.

As for the second *Pioneer* factor, i.e. the length of the delay and its potential impact on judicial proceedings, we note that opposer filed its motion under Fed. R. Civ. P. 60(b)(1) thirty days after the Board dismissed the instant opposition. As such, the Board is of the view that the delay does not unduly impact our proceedings under the present circumstances.

In that regard, opposer's actions are distinguishable from those of the plaintiff in *Pumpkin Ltd. v. The Seed Corps*, *supra*. In *Pumpkin*, three and one-half months had elapsed between the close of plaintiff's testimony period and the filing of its motion to reopen. As noted above, opposer herein filed its motion thirty days after the Board dismissed the opposition. Opposer in this case moved much more swiftly than the plaintiff in *Pumpkin* to file its motion for relief from judgment. As a result, the delay in the instant proceeding was much shorter and the impact on Board proceedings far less significant. Accordingly, we find that the second *Pioneer* factor favors opposer.

Turning next to the reason for the delay, we note that while opposer asserts that ETHC, its successor in interest, did not receive a copy of the Board's May 1, 2003 order, there is no indication that opposer itself did not receive the copy mailed to it by the Board. Further, opposer does not explain its failure to notify the Board of its bankruptcy and subsequent assignment of its marks to ETHC. Nonetheless, it appears from the record that at the time the Board issued the May 1, 2003 order, opposer was already in bankruptcy. Moreover, during the thirty day time period set forth in the Board's May 1, 2003 order for opposer to serve its amended notice of opposition, rights in opposer's pleaded marks were being acquired by ETHC, opposer's

successor in interest. The timing of these events relative to the deadline set in the Board's May 1, 2003 order supports a finding that the circumstances giving rise to opposer's failure to act were not entirely within its reasonable control. In addition, the Board must balance the reason for the delay with the other factors enumerated by the Supreme Court in *Pioneer* to take into account all of the relevant circumstances in determining whether opposer's actions constitute a sufficient showing of excusable neglect.

Finally, the record before us simply does not support a finding that opposer's failure to file its amended notice of opposition was the result of bad faith on the part of opposer or its counsel. Accordingly, the fourth *Pioneer* factor favors opposer.

After careful consideration of all four *Pioneer* factors, we find that opposer has shown excusable neglect.[2]

Accordingly, opposer's motion for relief from the Board's October 6, 2003 order is hereby granted.

In consequence thereof, the Board's order of October 6, 2003 is hereby vacated, and opposer's amended notice of

[2] With regard to applicant's arguments directed toward the merits of the case, we note that such arguments are not applicable to opposer's motion for relief under Fed. R. Civ. P. 60(b), but rather address matters to be considered at trial.

opposition, filed with its motion to vacate, is accepted and made of record.

Motion to Substitute

The Board turns next to opposer's motion to substitute ETHC as party plaintiff herein.

When a mark which is the subject of a Federal application or registration has been assigned, together with the application or registration, in accordance with Section 10 of the Act, 15 U.S.C. §1060, any action with respect to the application or registration which may or must be taken by the applicant or registrant may be taken by the assignee (acting itself, or through its attorney or other authorized representative), provided that the assignment has been recorded or that proof of the assignment has been submitted. *See* Trademark Rules 3.71 and 3.73(b).

In this case, as noted above, opposer has assigned its pleaded marks, together with its pleaded registrations and application, to ETHC, and recorded those assignments with the Assignment Branch of this Office. It is further noted that these assignments occurred subsequent to the institution of this proceeding. In that regard, it is settled that when an assignment is recorded in the Assignment Branch of the PTO, the assignee may be substituted as a party if the assignment occurred prior to the commencement of the proceeding, or the assignor is no

longer in existence, or the discovery and testimony periods have closed; otherwise, the assignee will be joined, rather than substituted, to facilitate discovery. *See Id.* *See also* Trademark Rules 2.113, 3.71 and 3.73(b); Fed. R. Civ. P. 17 and 25; *Pro-Cuts v. Schilz-Price Enterprises Inc.*, 27 USPQ2d 1224 (TTAB 1993); and *Western Worldwide Enterprises Group Inc. v. Qinqdao Brewery*, 17 USPQ2d 1137 (TTAB 1990).

Accordingly, opposer's motion to substitute is hereby granted to the extent that ETHC is joined with Retocon Corporation as party plaintiff herein.

Dates Reset

In view of the foregoing, applicant is allowed until thirty days from the mailing date of this order in which to file and serve its answer or other response to the amended notice of opposition.

Discovery and testimony periods are reset as indicated below.

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| DISCOVERY TO CLOSE: | May 31, 2004 |
| Testimony period for party in position of plaintiff to close (open for thirty days) | August 29, 2004 |
| Testimony period for party in position of defendant to close (open for thirty days) | October 28, 2004 |
| Rebuttal testimony period to close (open for fifteen days) | December 12, 2004 |

Briefs shall be filed in accordance with Trademark Rule 2.l28(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.l29.

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